



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

(801) 538-5340 telephone

(801) 359-3940 fax

(801) 538-7223 TTY

www.nr.utah.gov

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

Wells Fargo Bank
299 South Main Street
11th Floor BBG
Salt Lake City, Utah 84111
(801) 246-1718

Mr Beaton - 10-8-03
Per our phone
Conversation this a.m.
Please sign & date this
Cover letter, then mail to
Walt Maglic at
11 Stanwick St
11th Floor
Pittsburg PA 15222
Thank you Joelle

Attention: George R. Beaton, Vice President, Business Banking Manager

Subject: Reclamation Surety, Certificate of Deposit for Utah Marblehead Quarry Mine Site,
M/045/003, Tooele County, Utah
Certificate of Deposit no. Principal Amount \$246,100.00

This letter describes the mutually agreed upon instructions of the below signed parties to Wells Fargo Bank (Bank), regarding the control, redemption, and release of Bank's above-described certificate of deposit (CD), which is being used as a surety to guarantee the availability of reclamation funds for the Utah Marblehead Quarry (Mine Site), Tooele County, Utah. It is the intention of the parties that the CD be utilized as surety to guarantee that \$246,100 in reclamation funds will be available to the State of Utah. Division of Oil, Gas & Mining (Division) upon demand in the event that the operator(s) of the Mine Site are unable or unwilling to complete reclamation of the mine site in compliance with applicable state law and regulations.

Ownership and Renewal:

Ownership of the CD is retained by Utah Marblehead Lime Company a PA, LLC corporation, ("Owner"), but it is held by Bank for the benefit of the State of Utah, Division of Oil, Gas & Mining and is subject to the terms and conditions described in this agreement. The CD shall automatically renew indefinitely until either redeemed or released by the Director of the Division.

Redemption:

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of the Director of the Utah Division of Oil, Gas & Mining to the Bank. Upon the instruction and demand of

the Director, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil Gas and Mining. Owners agree and irrevocably instruct Bank that neither the Owner(s), nor any other person claiming an ownership interest in the CD which is derived from the Owners, shall have the authority to prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owners' control, or if Owners do not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division may redeem the CD.

Release:

The bank shall release the CD only upon the written instruction of the Director of the Division to the Bank. Upon release, the terms and conditions of this agreement are no longer in effect, and the unconditioned control of the CD shall be returned to the Owners, or their legal successors-in-interest

Accrued Interest:

Prior to release or redemption, all interest which accrues by the CD shall be 1) dispersed quarterly to the Owner(s) as the Owner(s) may instruct the Bank, or 2) shall be reinvested in the CD until such time the Owner(s) may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD which would cause the redemption amount of the CD to be less than the initial amount, \$246,100.00. All tax liabilities for accrued interest shall remain the responsibility of the Owners.

Bank will not be held liable for any dispute between the parties.

Agreed Upon By

Lowell P. Braxton, Director
Utah Division of Oil, Gas & Mining

Date: _____

David L. Schneider, Treasurer
Utah Marblehead Lime Company, LLC
Tax ID Number _____

Date: _____

George R. Beaton, Vice President, Business Banking Manager
Wells Fargo Bank

Date: _____